



Haishan Yang &lt;haishan1121@gmail.com&gt;

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**Fwd: final exam question**

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**Haishan Yang** <yang7916@umn.edu>  
To: haishan1121@gmail.com

Wed, Dec 11, 2024 at 1:25 PM

----- Forwarded message -----

From: **Ezra Golberstein** <egolber@umn.edu>  
Date: Wed, Jan 18, 2023 at 1:27 AM  
Subject: Re: final exam question  
To: Hannah Neprash <hneprash@umn.edu>  
Cc: Haishan Yang <yang7916@umn.edu>

Thanks, Hannah.

Haishan, we are meeting next Monday anyway. Let's discuss this then, although I will say that it appears to me that Dr. Neprash has been extremely transparent and fair in her grading.

Best,  
Ezra

On Tue, Jan 17, 2023 at 4:11 PM Hannah Neprash <hneprash@umn.edu> wrote:  
Hi Haishan,

I am copying Dr. Ezra Golberstein, the head of our economics area of emphasis within the HSRP&A program - so that he is aware of this situation.

I will not be responding to your itemized questions. Again, I suggest that you review the exam rubric and the course materials, since everything covered in the exam came directly from course lectures and readings.

All the best,  
HTN

On Tue, Jan 17, 2023 at 3:53 PM Haishan Yang <yang7916@umn.edu> wrote:

Hey Hannah,  
Yes. I read your rubric and I feel some of them are wrong. Or I don't understand them well. Can you explain seven questions I raised in my previous email one by one?  
All the best,  
HY

On Tue, Jan 17, 2023, 13:36 Hannah Neprash <hneprash@umn.edu> wrote:  
Hi Haishan,

I understand that you're disappointed with your grade and I empathize. When you picked up your exam, you also received a copy of my grading rubric with correct answers and common reasons for point deductions on short-answer and essay questions. This should help answer many of your questions and it is the full extent of exam-related feedback that I provide to students after the course has concluded.

All the best,  
HTN

On Tue, Jan 17, 2023 at 1:08 PM Haishan Yang <yang7916@umn.edu> wrote:  
Hey Hannah,

For the final:

I have the following questions.

1. Can you return my written exam for choice questions?
2. For choice question 6, during the exam, you told me what type of insurance does not matter for this question. But I explained quantitatively in my exam that if it is more than fair insurance, then risk neutral individuals will gain utility. Can you explain why it is not the case?
3. I feel choice question 11 is not a good question. Because we never know the whole literature of RCT in health economics. In formal writing for publication, usually authors claim that "to our best knowledge, it is the first RCT to do...." That is the biggest claim authors can make, but they can say "oh, there is no RCT in xxx." Maybe there is a RCT to investigate the effect of Medicare part D coverage on hospitalizations. How can we be sure there is no?
4. For section 3 question 16. You ask for two determinants of demand for insurance. But I think there can be more than two determinants. I mentioned health status and price. Is price a determinant of demand for insurance? Will cheap insurance lead to a higher demand for insurance?
5. For question 19 a) I think my answer should be correct too. In my solution, I used the idea of The Market of Lemons from Akerlof. In fact, many sources indicate that the American health insurance market is a Market of Lemons. Can you explain more why you deduct the entire point?  
<https://blogs.cornell.edu/info2040/2020/12/15/the-american-healthcare-market-as-a-market-for-lemons/#:~:text=Market%20for%20Lemons%20is%20a,items%20behind%20in%20the%20market.>  
<https://www.4sighthealth.com/when-healthcare-is-a-lemon-asymmetric-information-and-market-failure/>
6. For question section 4, part c. I don't think a higher price is certain, because the company has two possible behaviors. One is to charge a higher price to compensate for the \$200 claim fee. But firms can also just internalize this \$200 to attract more clients. Is there any condition written in the exam that can rule out the possibility that firms internalize this \$200. The marginal cost can be higher.
7. For section 5, question 20. I don't understand why my points were deducted. You underline that "any circumstances which might mitigate these negative consequences." I wrote "negative impact is that the cost goes up because of monopolistic competition." And "economies of scale and economies of scope can increase quality and decrease price." This is what I mean to mitigate. In your note, you wrote "-1 if you said quality will increase." But in theory, economies of scope and economies of scale can increase the product quality. In real life, it is often not true. But there is a theoretical possibility. And in this hypothetical case, we cannot rule out that quality will increase. For example, the link below says, "Economies of scale can occur from various sources, including purchasing in bulk, improvement in management quality, and improvements or utilization of technologies that increase efficiency."  
<https://corporatefinanceinstitute.com/resources/economics/economies-of-scale/>
8. For question section 5, can you explain why I was deducted one point? I explained profession impacts mortality and age impacts mortality.
9. I do not write about limitations and methodology. But the space is full, in this short answer question, I can only write much given this space.

My exam is attached. Thank you.

Haishan

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Pronouns: she/her

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